



STATE OF IDAHO

## IDAHO DEPARTMENT OF ENVIRONMENTAL QUALITY

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1410 North Hilton, Boise, ID 83706-1255, (208) 373-0502

Dirk Kempthorne, Governor  
Toni Hardesty, Director

August 16, 2004

RE: Official Announcement and Pre-Application Solicitation—2006 Funding Cycle  
Competitive Nonpoint Source Management §319 subgrants.

The Idaho Department of Environmental Quality (DEQ) would like to announce the Nonpoint Source Management §319 grants funding cycle for 2006. For the third year, the DEQ is soliciting pre-applications as a first-step of the competitive grant process. All prospective applicants are strongly encouraged in taking advantage of this first step. In order to facilitate the announcement and pre-application solicitation, please distribute this within your agency or organization as appropriate.

### Project Eligibility

All grant application submittals must be consistent with the *1999 Idaho Nonpoint Source Management Plan*, as well as statewide and regional priorities for the restoration and maintenance of beneficial uses. Additionally, all project applications are expected to be implemented by dedicated staff, committed toward long-term solutions of at least 10 years, and avoid a high cost of capital improvement without an attributing benefit to improving or restoring water quality. All projects to qualify must be able to track and report on the stated constituents of concern and ensure that the project outcome will be fully maintained for at least a ten (10) year period after the project is completed.

The Nonpoint Source Management §319 grants evaluation process generally consists of five (5) steps. The evaluation process of grant applications takes a full-year to complete prior to awarding subgrants to recipients, see the enclosure "Proposal Review Process: Milestones and Schedule."

- (1) Pre-application form completion and submittal,
- (2) Completion of the formal application and technical reviews conducted by state 'designated agency' staffs,
- (3) Sponsor presentations and ranking by Basin Advisory Groups (BAGs),
- (4) Statewide project ranking and selection conducted jointly by the BAG Chairs and the DEQ Surface Water Quality Program, for presentation to the DEQ Director,

- (5) Selected proposals sent to U.S. Environmental Protection Agency (EPA), Region 10 for review and approval.

Idaho's five priorities for the 2006 funding cycle are outlined here to assist in targeting project applications. These priority areas reflect where the State of Idaho has urgent needs, and the outcome are either transferable or have lasting value based on the public expenditure.

- I. Fulfills goals and objectives for one of seven sectors in the *1999 Idaho Nonpoint Source Management Plan* (see Chapter 1):
  - Agriculture—Eligible for grant funding except those activities covered by a draft or final NPDES permit and consistent with the draft 2002 *Idaho Agriculture Pollution Abatement Plan*.
  - Urban Runoff—Eligible for grant funding except instances covered by a draft or final NPDES permit.
  - Transportation—Eligible for grant funding except instances covered by a draft or final NPDES permit.
  - Silviculture—Silvicultural or forestry related activities are eligible for grant funding.
  - Mining—Eligible for grant funding except those activities covered by a draft or final NPDES permit.
  - Ground Water Activities—Eligible for grant funding to the extent identified by the State's nonpoint source management program including source water protection efforts that involve regional collaboration or have statewide application.
  - Hydro-habitat Mod—Hydrologic and habitat modification and related activities including wetland reconstruction are eligible for grant funding.
- II. Implements approved Total Maximum Daily Loads (TMDLs), TMDL implementation plans, or water quality management plans
- III. Addresses anti-degradation of a water body
- IV. Promotes comprehensive or conjunctive management of ground water quality with particular emphasis on nitrate priority areas
- V. Demonstrates innovative structural or nonstructural practices

#### Funding Target and Timeframe

For the 2006 funding cycle, approximately \$2,800,000 is projected available for grants. The amount of grant assistance averaged over the last seven years is about \$100,000, but can range from \$5,000 to \$250,000 per grant application. The maximum assistance level should not exceed \$250,000 per individual applicant or sponsor.

Completed pre-application forms must be received by Monday, October 4, 2004. The pre-application will be reviewed and feedback provided within 60 days. In turn, formal application will be invited and those completed submittals due Monday, February 7, 2005. All regional application submittals formally made are expected to have been presented to a local watershed advisory group as a courtesy where applicable prior to the February deadline.

#### Project Expectation and Evaluation

Chapter 8 of the *Idaho Nonpoint Source Management Plan* presents the project expectation and evaluation criteria—stated policy for administering Nonpoint Source Management §319 grants

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program. An updated excerpt of the chapter is enclosed for convenience and should be referred to prior to completing and submitting the "Idaho Nonpoint Source Management Grant Pre-application Form."

If you have any questions, please contact Todd Maguire at (208) 373-0115 or [tmaguire@deq.state.is.us](mailto:tmaguire@deq.state.is.us).

Sincerely,

Barry N. Burnell  
Administrator  
Water Quality Division

BNB:TM:bmm

Enclosures

## **Proposal Review Process**

### **Milestones and Schedule**

The schedule presented here outlines the Nonpoint Source (NPS) Program milestones timing in the form of an approximate schedule. The full review process for evaluating Nonpoint Source Management §319 grant applications takes a full year. Fixed calendar dates are shown in bold print, ranges are provided for planning purposes as an estimate for the other milestones.

- *August 16, 2004:* Grant Pre-application Solicitation and Announcement—DEQ state office NPS Program announces the grant pre-application solicitation. The solicitation will request a two-page scoping pre-application as the initial step toward full application in the fall. The “Idaho Nonpoint Source Management Grant Pre-application Form” should be used (see enclosure).
- ***October 4, 2004:*** The completed “Idaho Nonpoint Source Management Grant Pre-application Form” is due to the DEQ State Office NPS Program. The pre-application form will be reviewed and feedback provided within 60 days.
- ***February 7, 2005:*** Formal grant application is due using the “Nonpoint Source Grant Proposal Packet.” All formal grant applications will be invited based on the review of the Nonpoint Source Grant State Technical Review Committee. All regional application submittals formally made are expected to have been presented to the local Watershed Advisory Group (WAG) where applicable prior to the February deadline.
- *3rd and 4th weeks of February and early March:* DEQ and appropriate designated agencies perform technical evaluation and ranking process.
- ***March 30, 2005:*** All projects technically qualified are provided to respective Basin Advisory Groups (BAGs) for review with regional/state NPS staff ranking purposes.
- *April and early May:* Each project application sponsor will be required to present to the respective BAGs. The regional and state NPS staff will assist the BAG in

ranking the project proposals in order of importance regarding basin restoration efforts.

- ***June 15, 2005:*** Basin rankings are transmitted to the state DEQ NPS Program manager. The results are summarized and included in a letter inviting BAG chairs or their designated representative to meet and integrate basin-specific projects.
- *late June:* DEQ upper management and BAG chairs or their designated representative meet to integrate basin projects into a preliminary priority list for funding consideration. This prioritization process is summarized.
- *mid August, 2005:* All projects are compiled and transmitted to EPA, Region 10 Nonpoint Source Program for review and preliminary approval. The review process is expected to take 30 days. EPA provides comments (i.e. required project revisions) on draft §319 project proposals to DEQ. The comments are incorporated into final grant application(s) within 30 days as necessary.
- *mid September, 2005:* Final grant application package consisting of all project applications submitted to the DEQ Director for approval. Formal application is made to EPA, Region 10.
- *November - December 2005:* EPA makes the Nonpoint Source Management §319 grant award to the State of Idaho.
- *February 2006:* All grant applications are formally notified of an approved Nonpoint Source Management application in the form of an award letter. In turn, all grant applicants begin the contracting process with an approximate start date of mid March.
- *Ongoing:* DEQ meet with BAGs and other designated agencies to establish opportunities for nonpoint source implementation projects within their respective basins that are needed to satisfy TMDL requirements or protect high quality ground and surface waters within their respective basins.

# IDAHO NONPOINT SOURCE MANAGEMENT GRANT

## *PRE-APPLICATION FORM*

Instructions: Complete all spaces using the space provided ONLY. Provide additional information beyond the space provided when requested as part of the form.

PROJECT NAME:	
Project Sponsor:	
Sponsor's Address	
Sponsor's Phone:	
Project Location (HUC/Township/Range/Please attach map):	
Partners/Volunteers:	

Brief Description Of Project, Expected Outcome And Benefits:
Approved TMDL      ? Yes   ? No Which approved TMDL? _____ If not approved, the completed TMDL will be submitted prior to start date of the project? ? Yes   ? No

How is this project tied into an overall water quality management effort or planning process?

What parameters would specifically be tracked and reported on an annual basis?

What is your e-mail address (or FAX number) and phone number?

E-mail:

Phone #:

FAX:

Project Costs:

319 Funds Requested:

Partnership Funds Available (40% local match)\*

\*Describe briefly the basis for the 40% local match contribution:

Submit Completed Form To:

Attn: Todd Maguire  
Idaho Department of Environmental Quality  
1410 N. Hilton  
Boise, ID 83706-1255

*For questions regarding submission, please contact Todd Maguire (208) 373-0115 or E-mail [tmaguire@deq.state.id.us](mailto:tmaguire@deq.state.id.us)*

# Project Expectation and Evaluation

The DEQ provides for an efficient and effective administration of the Nonpoint Source Management Program. Primary duties include coordinating, defining the direction of, and leading NPS pollution prevention and control efforts throughout Idaho. The role of DEQ is multi-fold on various levels. On one level, the DEQ role is to lay out state priorities and processes for impaired water bodies listed on the §303(d) list through collaboration with the other state designated agencies. Further, the DEQ role is to assist sister state agencies with integrating those priorities through DEQ liaison through multiple state/federal committees or workgroups, and through DEQ regional office participation/facilitation of public advisory groups, public outreach and training efforts. On another level, the DEQ helps to provide the linkages between setting the statewide priorities, while ensuring the priorities are evident during implementation in the various agency programs through the use of tracking and reporting mechanisms in meeting water quality standards and beneficial uses.

Congress provides limited grant funds to those states programs with approved *1999 Nonpoint Source Management Plan*. The State of Idaho is eligible for these monies and makes them available as subgrants to various local, county, tribal and state governments as well as nonprofit organizations, interest groups, universities for the implementation of the Nonpoint Source Management Program. Proposals can be based on water quality limited water bodies from the State of Idaho approved §303(d) list, approved TMDLs, waters reported in the §305(b) report, waters of special concern (e.g., threatened and/or endangered species, sole source aquifer, etc.), promoting anti-degradation, or waters where beneficial uses are fully supported, but where documented nonpoint source pollution threatens future use.

## Project Timing and Accounting

Nonpoint Source Management Program project development generally follows the EPA guidance and schedule listed in Appendix D of the *"Nonpoint Source Program and Grants Guidance For Fiscal Year 1997 and Future Years"* (EPA, 1996). In addition, the state has added elements to the schedule to include preliminary project reviews by the appropriate designated agency and prioritization by the appropriate Basin Advisory Group (BAG).

As part of the 319 program requirements, the state is mandated to use the "Grants Tracking and Reporting System" by inputting the required elements into EPA's computer database. The data entered is taken from project semi-annual reporting. In turn, the state NPS program produces two annual reports summarizing and highlighting the accomplishments. In addition, the state uses a fiscal accounting system to track expenditures of both subgrant funds and non-matching funds for projects within the



program. These accounting procedures meet all required state and federal audit provisions.

## **Project Proposals**

The DEQ annually requests project proposals for the coming federal fiscal year. Applications for proposed nonpoint source projects are narrative in nature and generally range from six (6) to twelve (12) pages in length. However, DEQ has no minimum length or places no restriction on length of proposed projects. Pre-application forms are to be completed and submitted as the first step of evaluating project proposals. Once those forms have been reviewed, feedback is provided and accordingly project proposals that qualify are invited to complete a formal application package.

Each applicant is provided with an application package that includes guidance from DEQ and a list of water quality project types, areas, or topics developed in cooperation between DEQ and the BAGs. This list represents the priorities that DEQ and/or the BAGs believe need to be addressed to restore or protect water quality throughout the state. The guidance documents provide each applicant with materials necessary to develop a comprehensive project and include such items as:

- application checklist;
- nonpoint source project summary and budget form;
- EPA required elements list;
- DEQ program contact list;
- nonpoint source grant schedule; and
- DEQ nonpoint source technical evaluation form.

In the proposed project, each applicant must specifically address a series of required elements. These elements are necessary to facilitate the technical evaluation and ranking of the proposed projects. Staff from DEQ and the other state-designated agencies routinely work with applicants to develop projects and to ensure that proposed projects meet the state and federal project requirements.

## **Project Evaluation and Administration**

As with any review process, a set of evaluation criteria is necessary to evaluate the project proposals. The "Project Application Technical Evaluation" form can be obtained upon request. These criteria are subject to change yearly and will be updated to reflect priorities of the DEQ Water Quality Programs. The criteria are provided to each agency or group seeking funding during the initial request for types of projects: enabling each applicant to understand programmatic and state priorities. Additionally, project applicants should communicate with all pertinent natural resource agencies, organizations, and industries when developing a nonpoint source project pre-application and application. Natural resource agencies when afforded the opportunity for review and comment on projects prior to DEQ's evaluation can often enhance the application

process. The up-front work with the agencies should also help identify those areas for which, joint efforts could enhance the benefits to the resource base. Further, up-front work will identify the various roles and requirements of each agency—ensuring all current and ongoing NPS prevention and control efforts are recognized in the plan—represents a comprehensive working plan, and incorporates the various commitments for technical assistance or funding from the partnering agencies.

The pre-application review process will rely on a NPS State Technical Review Committee. The committee, in turn, will provide comments that will be transmitted back to an applicant to address during formal application. Deficiencies identified early on will either be addressed by the applicant to be made prior to the application submittal or encouraged to wait for a future solicitation if the deficiencies can not be resolved.

The final evaluation phase has several steps. First, a project application technical evaluation is completed at DEQ's regional offices. During this phase the projects are reviewed to ensure that all state and federal programmatic criteria have been met. Next, each project is reviewed to ensure that it demonstrates availability of resources to maintain the project for a minimum of 10 years following the close of the contract and will yield lasting water quality improvement in the project areas. Those projects, which pass the technical evaluation, are routed to the appropriate BAG for review and ranking. The proposals are reviewed by the BAGs to determine how they fit into the overall water quality management of the basin. Once all the projects have been reviewed and ranked by the BAGs, they are submitted to the DEQ State Office where a review panel composed of BAG chairmen and appropriate DEQ staff prioritizes all Idaho project applications.

## **Project Exemptions**

The Clean Water Act and other federal programs emphasize remediation and reduction of generated waste. One purpose of Idaho Nonpoint Source Management Program is to effectively administer §319 of the Clean Water Act. As such, DEQ is reluctant to become involved with those projects which could generate a regulated waste or involve DEQ in future clean-up activities which may be mandated as part of the Comprehensive Environmental Response Compensation and Liability Act (CERCLA). Therefore, projects will not be eligible for funding which generate a waste by-product that is designated and/or regulated by Resource Conservation and Recovery Act (RCRA) or Toxic Substances Control Act, which cannot be disposed of in a nonhazardous manner (i.e., RCRA subtitle "D" landfill), or which would implicate the State of Idaho in future CERCLA related clean-up activities. Additionally, projects will not be eligible for funding under this plan that would include any activity associated with the removal, transport, or disposal of materials which cannot be permanently and safely entombed in a RCRA subtitle "D" landfill or which fails the Toxicity Characteristic Leaching Procedures testing procedures. The exception to these provisions is for those projects dealing with nonpoint source materials exempted through the Bevill Amendments (e.g., mine tailings).

## **The Project Subgrant**

Individual project subgrants are issued to each successful applicant from the State of Idaho. The subgrant is derived from the grant the State has been awarded. Individual subgrants include a copy of the applicants work plan, schedule, and budget. Individual subgrants developed through DEQ are subject to all federal and state grant-reporting requirements. Should DEQ determine that a subgrantee is not providing the services or products outlined in the subgrant, DEQ may terminate the subgrant agreement.

The focus of the NPS program is to implement on-the-ground best management practices (BMPs) that reduce nonpoint source pollution and therefore, DEQ encourages participants to keep capital and operating costs for equipment purchases low. DEQ encourages participants to use match monies to purchase needed equipment. Project administrative costs are limited to 10 percent of the total project costs. Administrative costs include combined salaries, overhead, and indirect costs.

Additionally, DEQ reviews all project invoices to ensure that charges submitted to DEQ for payment are appropriate and compatible with the established subgrant work plan. Any questions related to submitted invoices are returned to the subgrantee for resolution prior to payment being issued. Subgrant revisions and extensions are allowed under the NPS program, but must be submitted in writing and approved by DEQ prior to any revisions being enacted

## **Project Reviews and Reporting**

Projects are subject to a programmatic task and financial review once 90 percent of the tasks have been completed. DEQ attempts to visit and review 50% of the projects yearly to ensure that work is being completed according to the prepared contract. Project participants are required to submit progress reports to DEQ as specified by contract. A final report on the project is due to DEQ ninety (90) days from completion of the last scheduled task. Once the final report has been completed, the project is closed out and EPA is notified.

All projects once initiated must provide semi-annual reporting. These "progress" reports are due in April and October during the life of the project. As part of the progress reporting, applicants are expected to provide data that ties cost and benefit to improving the resource.

## **Project Monitoring**

DEQ is the designated state agency for the collection of instream water quality monitoring data. It is incumbent on the designated agency to conduct the proper testing and field studies to document BMP effectiveness prior to project implementation. Therefore, the State NPS program shall not use §319 grant funds for "end of field" effectiveness monitoring for BMPs identified in the State Water Quality Standards or as adopted by the appropriate designated State agency. However, this does not preclude project participants from submitting projects with proper ground water or surface water monitoring plans, including "end of field" monitoring for experimental BMPs. The monitoring and QA/QC plans for projects are subject to review and approval by DEQ sixty (60) days prior to the commencement of field operations.

DEQ encourages project participants to use monitoring methods, which are simple in nature and can easily demonstrate the project effectiveness. For example, many participants have chosen to use photographic monitoring to demonstrate improvements to riparian habitat and vegetation or measuring the number of yards of sediment removed from gully plugs or sediment basins during scheduled maintenance. These types of monitoring activities have proven to be an effective and a cost-efficient method of determining BMP effectiveness when compared to the development and implementation of a more rigorous chemical specific monitoring program.

However, DEQ does recognize that in some instances (e.g., ground water projects) this type of monitoring activity would be insufficient to demonstrate certain types of BMP effectiveness. Under this type of circumstance, DEQ does allow for chemical specific monitoring. However, the goals and objectives of chemical specific monitoring plans must be worked out with DEQ staff during the development of the project to ensure that the data collected will provide for the best analytical results and a true indication of the BMPs effectiveness.